



NATIONAL RAILWAY UTILIZATION CORP.

860 Suburban Station 1921 15th St. / Pennyp Blvd, Phila., Pa. 19103 / (215) 569-2250
 6-2587653
 FAX 215-569-2250

DOI: 10.1002/for

SEP 14 1964

Date _____

September 13, 1976

Page 52

I.C.C.
FEE OPERATION BR.

SEP 14 2 05 PM '76

RECEIVED

ICC Washington, D. C.

Interstate Commerce Commission
12th & Constitution Avenues NW
Washington, D.C. 20423

RECORDATION NO. 8475

SEP 11 1973 - 2 10 PM

Attention: Ms. Lee, Room 1227

Dear Ms. Lee:

I transmit for filing the following documents Lease Agreement dated September 9, 1976 between the Pickens Railroad Company, Lessee, and Inleasing Corporation, Lessor, covering 12 70 ton 50' 6" box cars bearing numbers PICK 55,700 to 55,610 (inclusive).

The address for the Pickens Railroad Company is P. O. Box 216, Pickens, SC 29671. The address for Inleasing Corporation is 85 Westminster Street, Providence, RI 02903.

Enclosed herewith is the original and two certified copies together with our check in the amount of \$50.00 in payment of the filing fee.

Kindly return one copy to the undersigned with the Recording Certification Data stamped thereon.

Very truly yours,

John A. Mariscotti
John A. Mariscotti

John A. Mariscotti
Vice President
Pickens Railroad Company

JAM / pm

Enclosures

I, Katherine M. Wilson, hereby

certify that I am a duly qualified and acting Notary Public in and for the Commonwealth of Pennsylvania, County of Philadelphia, and that I have compared the enclosed copies of the Master Equipment Lease with the original document and certify that it is a true and correct copy in all respects.

Katherine M. Wilson

KATHERINE M. WILSON, NOTARY PUBLIC
PHILADELPHIA, PHILADELPHIA COUNTY
COMMISSION EXPIRES MAR. 11, 1980
Member, Pennsylvania Association of Notaries

RHODE ISLAND
STATE OF ~~XXXXXXXXXX~~)
COUNTY OF)

On this 2ND day of SEPTEMBER, 1976, before me personally appeared CHARLES W. CAREY, to me personally known, who, being by me duly sworn, says that he is an authorized officer of INLEADING CORPORATION; ~~that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation~~; that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Mary A. Smith
Notary Public

(Notarial Seal)

My Commission Expires: JUNE 30, 1981

Philadelphia
STATE OF ~~SOUTH CAROLINA~~)
COUNTY OF GREENVILLE)

On this 13th day of September, 1976, before me personally appeared JOHN H. HARRIS, to me personally known, who, being by me duly sworn, says that he is Vice President of Pickens Railroad Company; that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Thurday Thelwell
Notary Public

(Notarial Seal)

My Commission Expires: March 11, 1980

Interstate Commerce Commission
Washington, D.C. 20423

9/14/76


OFFICE OF THE SECRETARY

John A. Mariscotti
Vice President
Pickens Railroad Company
P.O.Box Box 216
Pickens, South Carolina 29671

Dear Sir:

The enclosed document(s) was recorded pursuant to the
provisions of Section 20(c) of the Interstate Commerce Act,
49 U.S.C. 20(c), on 9/14/76 at 2:15pm,
and assigned recordation number(s) 8475

Sincerely yours,


Robert L. Oswald
Secretary

Enclosure(s)



MASTER EQUIPMENT LEASE

RECORDED

0475

INLEASING CORPORATION

85 WESTMINSTER STREET
PROVIDENCE, RHODE ISLAND 02903
TELEPHONE (401) 278-6911

St. 14 1413-24 25 PM

INTERESTED PARTIES ONLY

LESSOR: INLEASING CORPORATION

LEASE NO. 4000244500

LESSEE: Pickens Railroad Company & National Railway Utilization Corporation

ADDRESS 402 Cedar Rock Street Pickens, South Carolina 29671

1. Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the equipment and personal property, together with all replacement parts, additions thereto and substitutions therefor (the "Equipment") described in the schedule or schedules (the "Schedule(s)") executed on the date hereof and from time to time by the Lessor and Lessee and attached hereto, upon the terms and conditions hereinafter set forth and as supplemented by the Schedules.

2. The term of this lease shall be for the period specified in the Schedule and full term hereof or the date the Equipment is delivered to Lessee, an agent of Lessee, or to a carrier or consigned for shipment to Lessee or an agent of such carrier or on the date when Lessor determines that all necessary documentation required in connection herewith has been completed by Lessee and Lessee hereby authorizes and appoints Lessor as its attorney in fact to supply the entire Schedule at such time. Lessee hereby agrees to pay the total rental for the term hereof which shall be the total amount of all rental payments set forth in the Schedule. Lessee hereby waives any existing and future claims and offsets against rent or other payments due hereunder, and agrees to pay such rent and other amounts regardless of any offset or claim that may be asserted by Lessee or on its behalf.

3. LESSOR LEASES THE EQUIPMENT AS IS AND, NOT BEING THE MANUFACTURER OR SUPPLIER OF THE EQUIPMENT, NOR THE AGENT THEREOF, MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE EQUIPMENT'S MERCHANTABILITY, CONDITION, QUALITY, CAPACITY OR FITNESS FOR A PARTICULAR PURPOSE. Lessee acknowledges that the Equipment and its manufacturer or supplier were selected solely by Lessee in its own judgment. If the Equipment is not delivered, is not properly installed, does not operate as warranted, or is unsatisfactory for any reason whatsoever, Lessee shall make all claims on account thereof solely against the manufacturer or supplier and not against Lessor, and Lessee shall nevertheless pay all rentals and other sums payable hereunder. Lessor agrees to execute and deliver to Lessor, within 5 days after delivery and installation of the Equipment to Lessee at the address set forth in the Schedule, either a confirmation by Lessee of unconditional acceptance in a form satisfactory to Lessor or a note specifying any defects in the Equipment or in the installation thereof which has come to the attention of Lessee and which would give rise to a claim by Lessee against the supplier, manufacturer or any other person, and Lessee's failure so to do shall be an acknowledgment by Lessee that no such defects in the Equipment or its installation exist.

4. The Equipment is a definite identifiable item, the sole and exclusive property of Lessor. If at any time during the term hereof Lessor supplies Lessee with labels, plates, or other markings indicating ownership of the Equipment to Lessee, Lessee shall affix the same to the equipment in a prominent location and shall not remove the same. The Equipment is, and shall at all times remain, personal property, notwithstanding that it or any part thereof may now or hereafter be affixed to real property.

This lease consisting of the foregoing AND THE REVERSE SIDE HEREOF, together with Schedule(s), correctly sets forth the entire agreement between Lessor and Lessee. No agreements or understandings shall be binding on either of the parties hereof unless specifically set forth in this lease or Schedule(s). The term "Lessee" as used herein shall mean and include any and all lessees who sign hereunder, each of whom shall be jointly and severally bound thereby. Pickens Railroad Company and National Railway Utilization Corporation hereby agree that their obligations and liabilities hereunder shall be joint and several.

PRC: John D. Minicelli
Executed this 200 day of September 1976

NRUC: John D. Minicelli

By execution hereof, the signer hereby certifies that he has read this lease INCLUDING THE REVERSE SIDE HEREOF, and that he is duly authorized to execute this lease on behalf of Lessee.

LESSEE:
Pickens Railroad Company &
National Railway Utilization Corporation

By John D. Minicelli Vice Pres.
Authorized Signature and Title
By John D. Minicelli Pres. & CEO
Authorized Signature & Title

INLEASING CORPORATION

By John D. Minicelli
Authorized Signature and Title

THIS LEASE CANNOT BE CANCELLED

(Continued from reverse side hereof)

5. Lessee, at its own cost and expense, shall keep all Equipment in good repair, condition and working order and shall furnish all parts and service required herefor. Lessee shall not make any alterations or additions to the Equipment without the prior written consent of Lessor. All parts furnished and additions made to the Equipment shall immediately become the property of Lessor subject to the terms hereof. Lessee shall use the Equipment in a safe and lawful manner and shall comply with all laws, regulations and orders relating to this lease, the Equipment and the use thereof. Lessee shall pay all transportation, packing, duties, installation, testing, and other charges in connection with the delivery, installation, and use of the Equipment, and all license fees, assessments and sales, use, property, excise and other taxes now or hereafter imposed by any governmental body or agency with respect to the Equipment, or the delivery, installation, lease, possession and use thereof, excluding, however, all taxes attributable to or measured by Lessor's net income, and shall assume the risk of liability arising from or pertaining to the possession or use of the Equipment. Lessee does hereby agree to indemnify, hold safe and harmless Lessor from and against, and covenants to defend Lessor against, any and all claims, costs, expenses, damages and liabilities arising from or pertaining to the possession or use of any of the Equipment.

* 6.

***SEE ATTACHED RIDER**

7. (a) Lessee hereby assumes and shall bear the entire risk of loss, theft, destruction, and damage to the Equipment from any cause whatsoever, whether or not insured. No loss, theft, destruction or damage to the Equipment or any part thereof shall release or impair any obligation of the Lessee under this lease. (b) In the event of loss, theft, destruction or damage to any Equipment, Lessee shall promptly notify Lessor of such event and, at Lessor's option, Lessee shall forthwith (i) place such Equipment in good repair, condition and working order; or (ii) replace such Equipment with like equipment in good repair, condition and working order, giving clear title thereto by appropriate instrument to Lessor, which replacement Equipment shall be subject to the terms and conditions hereof. (c) If such Equipment is determined by Lessor to be lost, stolen, destroyed or damaged beyond repair, ~~XXXXXX~~

(d) Upon replacement of any such Equipment pursuant to paragraph 7 (b) or payment pursuant to paragraph 7 (c), this lease shall terminate with respect to such Equipment so replaced or paid for, and Lessee shall thereupon become entitled to such Equipment as is and where is and without warranty, express or implied.

8. Any of the following events or conditions shall constitute an Event of Default hereunder: (a) non-payment when due of any rental payment or other amount provided for herein whether by acceleration or otherwise; (b) default by Lessee in the performance of any other obligation, term or condition contained herein; (c) the issuance of any writ or order of attachment or execution or other legal process against any Equipment which is not discharged or satisfied within ten (10) days; (d) death or judicial declaration of incompetency of Lessee, if an individual; (e) the commencement of any bankruptcy, insolvency, arrangement, reorganization, receivership, liquidation or other similar proceedings by or against Lessee; (f) the making by Lessee of a general assignment or deed of trust for the benefit of creditors; (g) a determination by Lessor, in its sole discretion and in good faith, that Lessee's ability to pay rentals promptly when due or to keep, perform or comply with the terms of this lease or any other agreement executed in connection herewith has become impaired; (h) the occurrence of any event or condition described in clause (d), (e), (f) or (g) of this paragraph 8 with respect to any guarantor or any other party liable, in whole or in part, for payment or performance of this lease; (i) use of the Equipment beyond its capacity or in an improper or abusive manner; (j) if any certificate, statement, representation, warranty or audit heretofore or hereafter furnished by or on behalf of Lessee or any guarantor or other party liable, in whole or in part, for payment or performance of this lease, pursuant to or in connection with this lease, proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified, or to have omitted any substantial contingent or unliquidated liability or claim against Lessee or any such guarantor or other party; or (k) if upon the date of execution of this lease there shall have been any materially adverse change in any of the facts disclosed by any such certificate, statement, representation, warranty or audit, which change shall not have been disclosed to Lessor at or prior to the time of such execution.

9. Upon the occurrence of any Event of Default and at any time thereafter, Lessor may without any further notice exercise one or more of the following remedies as Lessor in its sole discretion shall elect: (a) declare all rental payments then due or thereafter to become due to be immediately due and payable; (b) terminate this lease as to any or all Equipment; (c) take possession of and remove any or all Equipment wherever located without liability to Lessor; (d) cause Lessee at its own expense promptly to assemble or return to Lessor any or all Equipment; (e) use, hold, sell, lease or otherwise dispose of any or all Equipment on the premises of Lessee or any other location without releasing Lessee's obligations hereunder; (f) seek appropriate relief at law or in equity to enforce performance of this lease by Lessee or to recover damages for the breach thereof; (g) exercise any and all rights accruing to Lessor under applicable law. Notice required, if any, of any sale or other disposition hereunder by Lessor shall be satisfied by the mailing of such notice to Lessee at least seven (7) days prior to the sale or other disposition. A termination shall occur only upon written notice by Lessor and only with respect to such Equipment as Lessor shall specify in such notice. Termination under this section 11 shall not affect Lessee's duty to perform Lessee's obligations hereunder to Lessor in full. Lessee agrees to reimburse Lessor on demand for any and all costs and expenses incurred by Lessor in enforcing its rights hereunder following the occurrence of an Event of Default, including without limitation reasonable attorneys' fees and the costs of repossession, storage, insuring, reletting and selling any and all Equipment.

10. Lessee shall at its own expense keep the Equipment insured for not less than the full replacement cost (new) thereof (including installation and other costs) against risks of loss or damage by fire (including so-called extended coverage), theft, collision (where applicable) and such other risks as shall be customary in Lessee's business or as Lessor may reasonably require, and shall maintain public liability and property damage insurance covering the Equipment, all in such amounts upon such terms and written by such companies as Lessor may approve. All such insurance policies shall name both Lessor and Lessee as insureds, shall provide at least twenty (20) days' prior written notice to Lessor of any cancellation or alteration thereof, and shall provide that all amounts payable by reason of loss, theft or damage to the Equipment shall be payable only to Lessor. Any proceeds of such insurance resulting from loss, theft or damage to Equipment shall be paid to Lessor and may, at the election of Lessor, be applied towards the repair or replacement of such Equipment or towards Lessee's obligation pursuant to paragraph 7 above, and any excess shall be paid over to Lessee (provided that no Event of Default hereunder shall have occurred and been continuing). Lessee shall deliver to Lessor certificates of insurance or other evidence satisfactory to Lessor showing the existence of the insurance coverage required by this paragraph. In case of failure of Lessee to procure or maintain insurance, Lessor may at its option obtain such insurance, the cost of which will be paid by the Lessee as additional rentals. Lessee hereby irrevocably appoints Lessor as Lessee's attorney-in-fact to file, settle or adjust, and receive payment of claims under any such insurance policy and to endorse Lessee's name on any checks, drafts or other instruments in payment of such claims.

11. Lessee shall at its own expense furnish to Lessor such information and data as Lessor may from time to time reasonably request arising out of the use, operation, and condition of the Equipment and the taxes required to be paid by Lessee hereunder. Lessee shall also furnish to Lessor as soon as available, and in any event within 90 days after the close of each fiscal year of Lessee, a copy of the annual audit report, including balance sheet and profit and loss statements and showing in comparative form the figures of the preceding fiscal year of Lessee (and its domestic subsidiaries), all as prepared in such form and by such accountants satisfactory to Lessor.

***SEE ATTACHED RIDER**

~~XXXXXX~~

12. Lessee agrees to pay to Lessor interest at the rate of 1 1/2% per month of the maximum rate permitted by law, whichever is lower, on all sums not paid by Lessee to Lessor when due and owing from the date of delinquency until paid. Lessor's rights and remedies in respect to any of the terms and conditions of this Agreement shall be cumulative and not exclusive, and shall be in addition to all other rights and remedies in its favor. A waiver on any one occasion shall not be construed as a waiver on any other occasion. The invalidity of any clause(s) of this agreement shall not affect the force and effect of the remaining valid clause(s) thereof, and said invalid clause(s) shall be deemed severed herefrom.

14. Lessee shall execute and deliver to Lessor upon Lessor's request such instruments and assurances as Lessor deems necessary for the confirmation, preservation or perfection of this lease and Lessor's rights hereunder. In furtherance thereof Lessor may file or record this lease or a memorandum thereof so as to give notice to third parties, and Lessee hereby appoints Lessor as its attorney-in-fact to execute, sign, file and record UCC financing statements with respect to the Equipment, as notices of this lease. Any such filing or recording shall not be deemed evidence of any intent to create a security interest under the Uniform Commercial Code.

15. Any notices and demands required to be given hereunder shall be in writing and sent to the parties by regular mail at the address herein set forth or to such other address as the parties may hereafter specify by written notice.

16. This lease shall be binding and effective only when executed by Lessor and shall be interpreted and governed by the laws of the State of Rhode Island.

17. See attached rider.

THIS LEASE CANNOT BE CANCELLED

RIDER TO BE ATTACHED TO MASTER EQUIPMENT LEASE

*6. So long as there shall be no default under this Lease, the Lessee shall be entitled to the possession of the Equipment and shall be entitled (i) to the use of the Equipment by it or any affiliate upon lines of railroad owned or operated by it or any such affiliate or upon lines or railroad over which the Lessee or any such affiliate has trackage or other operating rights or over which railroad equipment of the Lessee or any such affiliate is regularly operated pursuant to contract, (ii) to permit the use of the Equipment upon connecting and other carriers in the usual interchange of traffic or pursuant to run through agreements and (iii) to sublease any Unit of Equipment to other companies incorporated under the laws of any state of the United States or the District of Columbia, for use in connection with their operations, but only upon and subject to all the terms and conditions of this Lease; provided, however, that the Lessee shall not assign or permit the assignment of any Unit of Equipment to service involving the regular operation and maintenance thereof outside the United States of America. Lessee shall, whenever requested by Lessor, advise Lessor of the exact location of any and all Equipment. Lessee agrees not to sell, assign, sublet, pledge or otherwise suffer a lien upon or against any interest in the Lease or Equipment except as permitted in this Section 6.

*7. Lessee shall, at Lessee's option forthwith (i) replace such Equipment with new equipment, or (ii) pay Lessor the residual balance as to such Equipment computed under the Rule of 78, plus the then fair market value of such Unit of Equipment.

*12. As soon as practicable on or after the expiration of the original or any extended term of this Lease with respect to any Unit of Equipment, the Lessee will (unless such Unit is sold to the Lessee), at its own cost and expense, at the request of the Lessor, deliver possession of such Unit to the Lessor upon such storage tracks as the Lessor reasonably may designate, provided that such storage tracks shall not be more than 500 miles from Memphis, Tennessee, except with the consent of Lessee. During the period of time during which the Equipment is being returned on or after the original or any extended term of this Lease, the Lessee will pay to the Lessor as "holdover rent" for each such Unit being returned, the daily equivalent of the rental payment in effect pursuant to this Lease on the last rental payment date hereunder for each day elapsed from the date of expiration of the original or any extended term of this Lease, as the case may be, to the date each such Unit is returned to the Lessor pursuant to this Paragraph 12.

*17. a. The Lessee shall have the right to purchase all but not less than all of the Equipment then leased hereunder at the expiration of the original term or of any renewal hereof at a price equal to the fair market value of such Equipment (as hereinafter defined). The Lessee shall give the Lessor written notice 180 days prior to the end of the term of its election to exercise the purchase option provided for in this Section. Payment of the option price shall be made at the place of payment of rent in funds then and there current against delivery of a Bill of Sale transferring and assigning to the Lessee all right, title and interest of the Lessor in and to the Equipment and containing a warranty against liens or claims of persons claiming by, through or under the Lessor except liens and claims which the Lessee assumed or is obligated to discharge under the terms of the Lease. The Lessor shall not be required to make any representation or warranty as to the condition of the Equipment or any other matters.

(Continued)

b. The fair market value of a Unit of Equipment shall be equal in amount to the value which would obtain in an arm's-length transaction between an informed and willing buyer/user (other than (i) a lessee currently in possession, or (ii) a used equipment dealer) and an informed and willing seller under no compulsion to sell. If on or before 60 days prior to the date of purchase elected by the Lessee, the Lessor and the Lessee are unable to agree upon a determination of the fair market value of a Unit of Equipment, such value shall be determined in accordance with the foregoing definition by a qualified independent appraiser. The term appraiser shall mean such independent appraiser as the Lessor and the Lessee may mutually agree upon, or, failing such agreement, a panel of three independent appraisers, one of whom shall be selected by the Lessor, the second by the Lessee and the third designated by the first two so selected.

LESSEE:

PICKENS RAILROAD COMPANY &
NATIONAL RAILWAY UTILIZATION CORPORATION

By *John A. Maworth* Vice President
Authorized Signature and Title

By *John A. Maworth* Exec. Vice President
LESSOR: Authorized Signature and Title

INLEASING CORPORATION

(SEAL)

By *Charles W. Carey* EVP
Authorized Signature and Title

DATED: September 2, 1976.

This Lease Cannot be Cancelled

85 WESTMINSTER STREET
PROVIDENCE, RHODE ISLAND 02903
Telephone (401) 278 6911

Lessor: INLEASING CORPORATION

Place of Installation:

Same

Street

City

State

Monthly Due Date 10th

First and last _____ payments payable at time of signing this schedule in the amount of \$ 5,367.60 ____.

1. The following items of equipment are leased on the terms specified in this schedule and this schedule becomes a part of and subject to the terms and conditions of the above mentioned lease No. 4000244500 dated September 2, 1976.

MAKE	DESCRIPTION	MODEL NO.	SERIAL NO.
	12 Railroad Box Cars		55600 to 55610 1776

2. The rentals specified herein shall be payable in advance on the Monthly Due Date at the office of Lessor in Providence, Rhode Island or at such other place as Lessor may designate.

3. The above-specified additions constitute a formal amendment to the above mentioned Lease. Except as herein modified, all specifications, terms and conditions currently applicable to the Lease shall remain in full force and effect.

By execution hereof, the signer hereby certifies that he has read this Schedule and that he is duly authorized to execute this Schedule on behalf of Lessee.

LESSEE: Pickens Railroad Company &
National Railway Utilization Corp.

By John C. Mariscotte Vice Pres
Authorized Signature and Title Exec. V. Pre

Date of execution by Lessee: Sept. 13, 1976

LESSOR:
FINLEASING CORPORATION

By Charles W. Carey EVP
Authorized Signature and Title

Date of execution by lessor: September 9, 1976